

Regulatory Classification of Wireless Broadband Internet Access Presentation to Ian Dillner Office of Commissioner Deborah Taylor Tate Federal Communications Commission

CTIA-The Wireless Association®

February 16, 2007

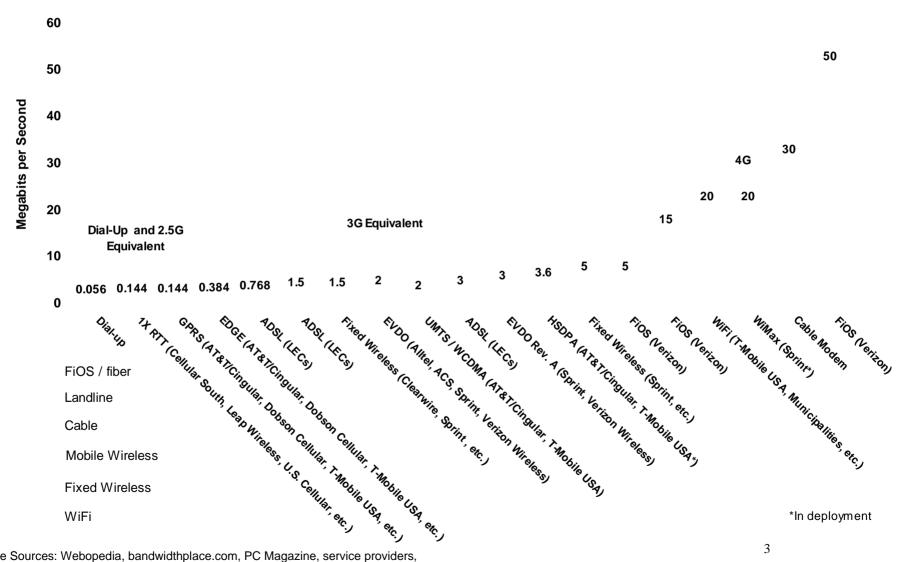
Overview



- CTIA supports a Declaratory Ruling that wireless broadband Internet access is an interstate information service.
- This classification will be necessary to ensure that the market for wireless broadband Internet access continue to grow.
- That regulatory classification also is necessary to ensure that wireless broadband Internet access can compete with other technology platforms already granted such relief.



Maximum Theoretical Broadband Download Speeds



 $\label{lem:multiple} \mbox{Multiple Sources: Webopedia, bandwidthplace.com, PC Magazine, service providers, ISPs, Phonescoop.com, etc.}$





Pre-3G Devices

3G+ Devices

Make and Receive Voice Calls

Capture and Transmit video and still pictures

Text-based Messaging

Listen to Music Files

Download and Play Games

Personalize with Content

Access Office Systems

Browse the Web

GPS

Watch Television

Stream Radio

Advanced Gaming

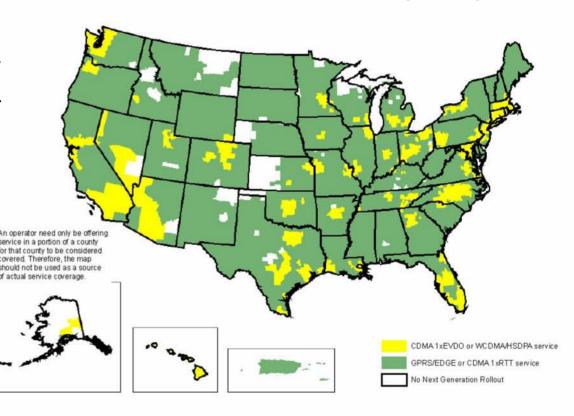


High-Speed Wireless Technology Coverage Snapshot

According to the FCC, by the start of 2006:

- CDMA 1xRTT and/or 1xEV-DO had been launched in at least some portion of counties containing 283 million people, or roughly 99 percent of the U.S. population.
- GPRS, EDGE, and/or WCDMA/HSDPA had been launched in at least some portion of counties containing 269 million people, or about 94 percent of the U.S. population.
- Higher speed technologies, EV-DO and WCDMA/HSDPA, were available in counties containing 63 percent and 20 percent of the U.S. population.

Next Generation Network Rollout by County



Wireless "3G" Network Deployment



- **Alltel:** AxcessSM Broadband service (EVDO) offers speeds of 400-700 kbps (more than 100 cities, 44 million pops).
- Cingular/AT&T Wireless: BroadbandConnect (HSDPA) service offers speeds of 400-700 kbps (165 cities, including 73 of the top 100 markets).
- Sprint Nextel: EVDO service offers speeds of 400-700 kbps (covers more than 200 million pops now, rising to 280 million by YE2008). EVDO Rev A network now covers more than 95 million people, and expansion of network upgrade continues. Rev A offers upload speeds of 350-500 kbps, and download speeds up to 600 kbps-1.4 Mbps.
- T-Mobile USA: Offers mobile Internet access through its GPRS/EDGE network, with a typical EDGE download speed of 100 kbps, and operates a network of more than 8,000 wireless hotspots; T-Mobile's HSDPA network is currently in deployment.
- Verizon Wireless: EVDO-based broadband service offers speeds of 400-700 kbps (242 cities, 200 million pops). Verizon is upgrading to EVDO Rev. A.

Wireless licensees are deploying "4G" networks



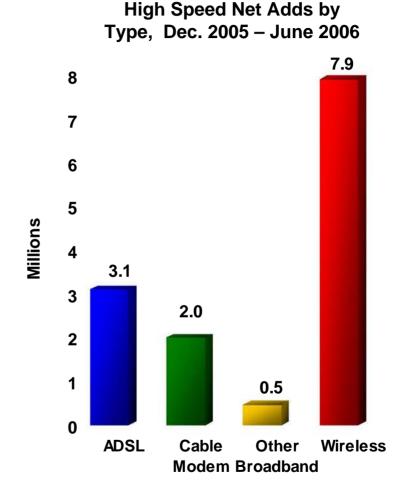
• **Sprint Nextel** will deploy a 4G broadband network, using mobile WiMAX technology with data rates of 2 to 4 Mbps.

Sprint Nextel intends to launch a mobile WiMAX broadband service capable of serving 100 million people by year-end 2008, using the 2.5 GHz band. Trial markets to be launched later this year include Washington, DC, Baltimore and Chicago.

High-Speed Line Growth



- In 1H06, total high-speed lines grew 26%, from 51.2 million to 64.6 million lines, and 59% of all adds were mobile wireless subscriptions.
- From June 2005 to June 2006:
 - ADSL's share of total broadband lines fell from 38% to 35%,
 - Cable modem's share fell from 56% to 44%.
 - Mobile wireless' share of total broadband lines rose from 1% to 17% of total broadband lines.
 - The share of "other" forms of broadband (including fixed wireless, satellite, fiber, and broadband over power line) remained at 4% of total broadband lines – although their total line count grew 39%.



Sources: FCC Report on "High-Speed Services for Internet Access," Jan. 2007.



Interstate Information Service Classification Will Ensure Regulatory Parity

- "Saddling this service with conditions that do not apply to other competing forms of broadband Internet access services would create a regulatory disparity antithetical to our creation of a level playing field for all modes of this service." BPL Order at ¶ 16.
- "As part of this policy, we believe that we should regulate like services in a similar manner so that all potential investors in broadband network platforms, and not just a particular group of investors, are able to make market-based, rather than regulatory-driven, investment and deployment decisions." Wireline Broadband Order at ¶ 45.
- "[T]he framework we adopt in this Order furthers the goal of developing a consistent regulatory framework across platforms by regulating like services in a similar functional manner," Wireline Broadband Order at ¶ 1.
- "We will address, where appropriate, any regulatory treatment and other issues
 associated with such alternative platforms in separate proceedings in a manner not
 inconsistent with the analysis and conclusions in this Order." Wireline Broadband
 Order at FN 30.